Suomen vetovoimatekijät
Segmentointimalli
Towards a motives based segmenting

Tactical campaigns to accompany image marketing
Marketing increasingly geared towards sales promotion
Finland’s position & differentiation

Nature

Culture/ City

#VFWhtsUp
Motive based segmentation to optimize marketing activities

16/11/2017 Research conducted by Nepa
A CONSUMER SCIENCE COMPANY

WHY?

• Consumer research and data science methodologies
• Using of why-data in combination with what-data
• Analyzing both consumers and non-consumers
• We are a bunch of business developers and engineers
• And, we are the first consumer science company in the world
NEPA FACTS

- Ongoing assignments in over 50 countries across five continents.
- Local presence in FIN, DEN, NOR, SWE (HQ), UK, IND and the US.
- DI’s Gasell award six years straight in Sweden
- Kauppalehti Achiever 2016/2017
- Serving some of the world’s strongest global brands.
Nepa’s experience of segmentation analysis

Nepa has conducted 50+ segmentation projects

We have experience from several industries including Direct Selling, FMCG, Retail, Telecom, Media, Finance, Travel, Education, NGO and Energy

Nepa has extensive experience from several clustering techniques. Some examples of clustering methods are K-means, Hierarchical, Trees, Cluster ensemble and Neural network
Why segmentation analysis?

Segmentation analysis serves as a foundation for many business areas.

- Brand strategy
- Communication strategy
- Channel strategy
- Product development
- Pricing
- Portfolio management
- Loyalty management
- Market understanding
There are several ways of segmenting market

Examples on variables

<table>
<thead>
<tr>
<th>Values / Attitudes</th>
<th>Needs</th>
<th>Situation</th>
<th>Behavioural</th>
<th>Demography</th>
<th>Sociography</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle</td>
<td>Attitude to consumption of different products</td>
<td>Needs in different situations</td>
<td>Frequency Monetary value</td>
<td>Age, gender, life stage Geography</td>
<td>Income Job situation</td>
</tr>
<tr>
<td>Fundamental, individual drivers</td>
<td>Category-specific needs</td>
<td>Attitudes in different situations</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Situation based segmentation will answer the following…

- What should we communicate (Content)?
- To whom should we communicate (Target groups)?
- Where should we communicate (Channel choice)?
- When should we communicate (Timing for travel and decision)?
Method of the segmentation project

Conducted in four countries:

- London and Manchester area
- Berlin, Bavaria and Nordhein-Westfalen area
- Tokyo and Osaka area
- Nationally representative

Online interviews
Data collection in
July-August 2017
1000 IP per market
With risk of being cheesy...

Think globally,
Act locally

Focus 1
Focus 2

Unified reasons in focus
Local adaption of communication

Visit Finland
Core segments

- Nature Wonder Hunters
- Nature Explorers
- Activity Enthusiast

Supporting segments

- Authentic Lifestyle Seekers
- Comfort Seekers
- City Breakers
Based on analysis six main segments were identified:

- Nature Wonder Hunters
  - Luonnon ihmeiden metsästäjät
- Nature Explorers
  - Luonto-nautiskelijat
- Activity Enthusiasts
  - Aktiiviset seikkailijat
- "Comfort Seekers"
  - "Suomalainen luksus"
- City Breakers
  - City-breikkaajat
- Authentic Lifestyle Seekers
  - Aitouden etsijät

One respondent can belong to several segments.
Why does the segment travel?  

Unique nature experience  

Story behind the segment name  

Wants to achieve special experiences during holiday.  

Important to see wonders of the nature and capture as well as share them.  

Schedule of the trip can be tight, wants to see everything that has been planned.  

Once in a lifetime attitude separates from Nature explorer, also older than them.  

Northern lights  

Midnight sun  

Visit Finland
Peaceful nature Rewinding

Why does the segment travel?

Story behind the segment name

Wants to rewind in nature and enjoy the peace and beautiful scenery.

Slow life, no rush.

Enjoying the purity of nature to get balance in hectic everyday life.

Interests

Natural parks
Forests
Lakes
Genuine nature
Northern lights
Midnight sun
Retrites
Berries, mushrooms
Activity Enthusiasts: Aktiiviset seikkailijat

Why does the segment travel?

Active holiday in nature

Story behind the segment name

Wants to be active during holiday and this gives great mood and energy to these travellers.

Enthusiastic to try new and unique/special sports.

Also important to experience beautiful scenery through activities.

Interests

Extreme sports
Sking
Winter
Arctic nature
Animals
Water/snow activities
Wellbeing
Time for myself

Why does the segment travel?

Comfort Seekers: Suomalainen luksus

Well-being services
Special accommodation
Spas
Husky/reindeer safari
Light sport activities in nature

Wants to feel good emotionally and physically (body&soul).

Story behind the segment name

Ready to invest more in expensive and special accommodation and activities.
Getting to know local lifestyle

Why does the segment travel?

Authentic Lifestyle Seekers: Aitouden etsijät

Story behind the segment name

Wants to blend in with the locals and avoid places with lots of tourists.

Important to achieve feeling of what it would be like to live in the country.

Versatile experience of lifestyle of the country.

Interests

- Local museums and events, festivals, concerts
- Local life
- Nature
- Sauna
- Food culture
- Culture destinations
- Design districts
- Special accommodation

Visit Finland
City Breakers: Citybreikkaajat

Why does the segment travel?

City experience
Sighseeing

City culture
Museums
Design districts
General city experience
Food culture
Local events
Shopping

Story behind the segment name

Wishes to see and explore the specialities of a city, areas where there’s interesting experiences to see and do.

Stories and history of the city important.

Desire to experience the lifestyle of the city but clearly from a traveller’s perspective.
Based on analysis six main segments were identified:

- **Nature Wonder Hunters** (Luonnnon ihmeiden metsästäjät)
- **Nature Explorers** (Luonto-nautiskelijat)
- **Activity Enthusiasts** (Aktiiviset seikkailijat)
- **“Comfort Seekers”** ("Suomalainen luksus")
- **City Breakers** (City-breikkaajat)
- **Authentic Lifestyle Seekers** (Aitouden etsijät)

One respondent can belong to several segments.
Which segments should we focus on?

1: Size / Value:
The segment needs to be large enough

2: Current image:
Finland’s strengths today needs to be taken into consideration

3: Desired image:
The desired position of Finland
All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 months or who are planning to make a leisure trip the next 12 months.

<table>
<thead>
<tr>
<th></th>
<th>City Breakers</th>
<th>Nature Explorers</th>
<th>Nature Wonder Hunters</th>
<th>Activity Enthusiasts</th>
<th>Authentic Lifestyle Seekers</th>
<th>Comfort Seekers</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>22%</td>
<td>17%</td>
<td>12%</td>
<td>12%</td>
<td>23%</td>
<td>15%</td>
</tr>
<tr>
<td>Germany</td>
<td>23%</td>
<td>17%</td>
<td>12%</td>
<td>15%</td>
<td>23%</td>
<td>9%</td>
</tr>
<tr>
<td>Japan</td>
<td>22%</td>
<td>14%</td>
<td>8%</td>
<td>18%</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>China</td>
<td>21%</td>
<td>16%</td>
<td>10%</td>
<td>10%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
<td>Average</td>
<td>22%</td>
<td>16%</td>
<td>12%</td>
<td>14%</td>
<td>22%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Winter and cold are the main motives for travelling to Finland?

Q: What is the first thing you think about when you think about Finland?
NO! Summer is equally interesting once people get informed

**Very interested (sum 5-7)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Winter holiday experience</th>
<th>Summer holiday experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>77%</td>
<td>73%</td>
</tr>
<tr>
<td>Germany</td>
<td>57%</td>
<td>82%</td>
</tr>
<tr>
<td>Japan</td>
<td>60%</td>
<td>62%</td>
</tr>
<tr>
<td>China</td>
<td>86%</td>
<td>85%</td>
</tr>
</tbody>
</table>

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 months or who are planning to make a leisure trip the next 12 months.

Q: How interested would you be in making the following kind of trip?
What’s unique for Finland compared to other countries

Activities associated with Finland –
Points of difference (POD) vs other countries

- Experiencing Northern lights
- Experiencing Local nature
- Experiencing Natural Forest
- Experiencing Lakes
- Experiencing Winter
Uniqueness gives Finland the possibility to win within several segments interested in different types of nature experiences.

<table>
<thead>
<tr>
<th>POD Finland</th>
<th>City Breakers</th>
<th>Nature Explorers</th>
<th>Nature Wonder Hunters</th>
<th>Activity Enthusiasts</th>
<th>Authentic Lifestyle Seekers</th>
<th>Comfort Seekers</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Experiencing Northern lights</td>
<td>❌</td>
<td>✓</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
</tr>
<tr>
<td>✓ Experiencing Local nature</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
</tr>
<tr>
<td>✓ Experiencing Natural Forest</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
</tr>
<tr>
<td>✓ Experiencing Lakes</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
</tr>
<tr>
<td>✓ Experiencing Winter</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
<td>❌</td>
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All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
Main focus due to Finland being strong on nature
With risk of being cheesy...

Think globally, act locally

Unified reasons in focus

Local adaption of communication
What data has been analysed on country level?

**MARKET UNDERSTANDING**

<table>
<thead>
<tr>
<th>Segment size &amp; value</th>
<th>Interests &amp; Drivers</th>
<th>Potential &amp; Perception Finland</th>
<th>Travel details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>Most important interests among segment</td>
<td>Booking channel</td>
<td></td>
</tr>
<tr>
<td>Budget</td>
<td>Driver ranking (what is important when travelling)</td>
<td>Booking time</td>
<td></td>
</tr>
<tr>
<td>Value share</td>
<td></td>
<td>Travel time</td>
<td></td>
</tr>
</tbody>
</table>

**SEGMENT SPECIFIC**

<table>
<thead>
<tr>
<th>Scorecards</th>
<th>Media behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender, age</td>
<td>Weekly usage</td>
</tr>
<tr>
<td>Share, value, budget</td>
<td>Information</td>
</tr>
<tr>
<td>Media</td>
<td>Inspiration</td>
</tr>
<tr>
<td>Travel companion</td>
<td></td>
</tr>
<tr>
<td>Consideration</td>
<td></td>
</tr>
<tr>
<td>Booking behavior</td>
<td></td>
</tr>
<tr>
<td>Travel time</td>
<td></td>
</tr>
<tr>
<td>Interests</td>
<td></td>
</tr>
<tr>
<td>Drivers</td>
<td></td>
</tr>
</tbody>
</table>
**Overview**

- **Segment value**: 12% of population
- **Budget**: 795 GBP

**Age**

- 18-29: 25%
- 30-50: 37%
- 50-75: 38%

**Media usage**

- Watch television: 75%
- Facebook: 62%
- YouTube: 37%
- Online newspapers: 32%
- Pinterest: 30%

**Information from**

- Online travel sites: 75%
- Travel-related blogs: 64%
- Watch television: 44%
- Instagram: 36%
- Paper versions of magazines: 32%

**Inspiration from**

- Online travel sites: 64%
- Travel-related blogs: 36%
- Watch television: 33%
- Instagram: 30%
- Paper versions of magazines: 29%

**Drivers**

- **Most important when deciding destination**
  - Genuine & idyllic
  - Safe and secure
  - Opp. to get to know culture/way of life
  - Culinary culture and local food
  - Peaceful & quietness

**Top interests**

- **Experiencing the Northern Lights**
- **Experiencing natural parks and forests**
- **Experiencing the Midnight Sun/White nights**
- **Enjoying the surrounding nature**
- **Attend a husky or reindeer safari**

**Travel companion**

- **45%** would likely visit Finland on their trip

**Travels with:**

- Alone: 10%
- Partner: 46%
- Family: 16%
- Friends: 15%
- Friends & Family: 5%

**Considered destinations**

- Norway: 64%
- Sweden: 61%
- Finland: 62%
- Denmark: 57%

**Base:** Segment 188 IP, Total 1000 IP

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months
Country summary UK:

Image of Finland:
cold, snow, lapsland, Helsinki, good, lakes, beautiful, Weather, nature, people, country, reindeer, northern, winter, Visit Finland
Country summary Germany:
Image of Finland

Helsinki
Nature
lakes
snow
beautiful
cold
sauna
People
Reindeer
northern
forests
fjords
Visit Finland
Country summary Japan:

Image of Finland:

- claus
- nordic
- cold
- fjord
- white
- sauna
- helsinki
- santa
- moomin
Country summary China:

Image of Finland
Next steps

• USP:t ohjaavat tuotesisältöjä ja tuotteita
• Hyödynnetään ohjelmien / projektien tuotekehityksessä, tuotteistamisessa ja sisältöjen luomisessa
Next steps

• Kohderyhmäopas elinkeinon käyttöön
• Visit Finland Akatemian valmennuskokonaisuus
• Aikataulu huhtikuu 2018 alku
THANK YOU FOR TODAY!